

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, FEBRUARY 15, 2011

The meeting of the State Properties Committee was called to order at 10:00 a.m. by Chairman Kevin M. Flynn. Other members present were Robert Griffith representing the Rhode Island Department of Administration; Richard Woolley representing the Rhode Island Department of Attorney General; Robert W. Kay, Public Member; and Andrew Marcaccio representing the Rhode Island Office of the General Treasurer, Ex-officio Member. Others in attendance were Meredith Pickering from the Rhode Island Senate Fiscal Office; John Faltus, Lisa Primiano, Michelle Sheehan, Jay B. Aron, and Terri Bisson from the Rhode Island Department of Environmental Management; and Ronald Renaud from the Rhode Island Department of Administration.

Chairman Flynn stated for the record that the State Properties Committee did have a quorum present.

A motion was made to approve the minutes from the State Properties Committee meeting held on Tuesday, January 4, 2011, by Mr. Kay and seconded by Mr. Woolley.

Passed Unanimously

A motion was made to approve the minutes from the State Properties Committee meeting held on Tuesday, February 1, 2011, by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM A – Department of Environmental Management – A request was

made for approval of and signatures on the annual License Agreement with Fort Adams Trust for various functions and events to be held at Fort Adams State Park throughout the 2011 Season. Mr. Faltus explained that this is an annual License Agreement between Department and the Fort Adams Foundation and Trust (the "Trust") for various functions to be held at Fort Adams State Park. Mr. Faltus indicated that the Trust has requested a total of twenty (25) open dates for this season. Mr. Faltus noted that this item is being brought before Committee approximately one (1) month earlier than usual as the Trust already has several pending events and is hoping to obtain an early approval of the License Agreement in order to accommodate these requests. The Trust has submitted an updated Certificate of Insurance, which evidences that the appropriate insurance coverage required by the State has been secured through January 1, 2012, including host liquor liability insurance coverage. Chairman Flynn assumed the Department will return to the Committee at a later date with requests for approval of the larger events held at Fort Adams State Park such as the Jazz Festival. Mr. Faltus indicated that the Department will return to the Committee seeking approval for those larger, public events. Mr. Woolley asked how the Department manages the twenty-five (25) open dates. Mr. Faltus explained that for every open date, the Department requires the Trust to submit a special use application form. Mr. Woolley asked if the Department can deny a request if it has concerns that a certain group and/or event has the potential to be problematic. Mr. Faltus indicated that the Department retains oversight over all requests and can deny any

request with which it is not comfortable. Mr. Faltus explained that the Trust, Sale Newport and the Museum of Yachting request these open dates as these organization obviously can not predict whether future requests for events may come later in the season. The Department agrees to the open dates to allow these organizations some latitude and flexibility to consider and accommodate additional requests for future events. Mr. Faltus indicated that each open date request must be thoroughly reviewed by the Department before the same can be approved. Mr. Woolley asked if the License Agreements generate revenue for the State. Mr. Faltus explained that the Agreements and events generate revenue for the Trust and said events are one of its primary means of fund raising to maintain its operation. Mr. Faltus stated that the Fort Adams Foundation is an entity established under state law and the Trust is a 501C3 arm of the Foundation. A motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM B – Department of Environmental Management – A request was made for approval of and signatures on an Indenture of Lease by and between the Department and Adam Cavanaugh for the caretaker's residence located at Fishermen's Memorial State Park, 1011 Point Judith Road in the Town of Narragansett. Ms. Bisson indicated that said residence became vacant when the Department's previous tenant relocated from this particular caretaker residence to Burlingame State Park several months ago. Mr. Cavanaugh has been selected as the successful candidate for the position of caretaker and tenant at the Fishermen's Memorial State Park caretaker's residence

in accordance with the Department's Residential Lease Policy as amended, March 2010. Mr. Cavanaugh has been employed by the Department as a semi-skilled laborer for approximately seven (7) years. An annual rental fee in the amount of \$6, 105.60 has been determined in accordance with the HUD-established fair market rate; however, said rate has been adjusted to reflect the Department's recognition of certain deductions based upon the level of surveillance, response and nuisance involved at this particular site. Ms. Bisson indicated that Mr. Cavanaugh's rental payments will be payable via bi-weekly payroll deductions. Mr. Cavanaugh is required to secure and maintain liability insurance coverage in the amount of \$300,000, which list the State of Rhode Island as an additional insured. Additionally, Mr. Cavanaugh is required to provide proof of personal property insurance coverage. Ms. Bisson explained that although Mr. Cavanaugh is responsible for essentially the same level of surveillance and associated duties as other caretakers, he is also required to respond to off-site alarms at Scarborough, Salty Brine and Roger Wheeler State Beaches as part of the Lease Agreement. Mr. Woolley asked if Mr. Cavanaugh utilized his own privately owned vehicle to respond to off site alarms. Mr. Faltus indicated that Mr. Cavanaugh certainly owns his own vehicle, however; he is unsure whether he utilizes it to respond to off-site alarms. Mr. Faltus believes Mr. Cavanaugh is allowed to use his own discretion relative to whether he uses a State-owned vehicle stored at the adjacent compound or whether he employs the use of his privately owned vehicle when responding to off-site alarms. Mr. Woolley

recommended that the Department research the implications of a tenant and/or employee of the State of Rhode Island utilizing his personally owned vehicle to tend to State business at all hours in terms of insurance coverage. Mr. Faltus indicated that he will confer with the appropriate party relative to matters of insurance, as he agrees that Mr. Woolley's concern certainly warrants investigation. Mr. Faltus indicated that the Department, if necessary, will establish a policy, which stipulates that at any and at all times an employee/tenant of the Department is responding to an issue/alarm/emergency on State property, he/she shall be required to utilize a State-owned vehicle as the sole means of transportation to and from the site. Mr. Woolley suggested that Mr. Faltus inquire whether a State-wide policy exists relative to transportation and travel for State employees. A motion was made to

approve by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM C – Department of Environmental Management – A request was made for approval to issue a Request for Proposals (“RFP”) to engage the services of qualified entities to farm certain parcels of State-owned land. Ms. Bisson explained that the Department is seeking the Committee’s approval to issue an RFP in order to engage farmers in Lease Agreements to farm land, which it has acquired over the years. The parcels of land were acquired for open space preservation, public recreation and wildlife resource protection. Presently the Department has seventeen (17) Lease Agreements

throughout the State, which generate approximately \$20,000 in revenue, per year. The farmers pay the Department lease fees in varying amounts starting at \$7.00 per acre up to 115.00 per acre of land. Chairman Flynn asked how the lease fees are assessed. Ms. Bisson indicated that the lease fees are based upon the competitive bids. The RFP is structured so that when selecting the successful candidate, not only is the proposed amount per acre considered, but also the level of experience as well as whether the entity/farmer has adequately farmed a particular parcel of land in the past. The lease agreements commence in March and expire in October of the same calendar year. In addition to raising crops to be sold for profit, the farmers plant several crops that are used for wildlife habitat protection and toward the end of the leases term, a cover crop of winter rye is planted by the farmers, which replenishes the soil with necessary nutrients. At the expiration of the lease agreements, the properties revert back to the care and custody of the Department and are utilized by the public for purposes of hunting, hiking or for its intended public purpose. Ms. Bisson noted that upon the completion of the RFP process, the Department will return to the State Properties Committee with the results of the same and to seek approval of the individual lease agreements. Mr. Kay requested that the Department also require the farmers to secure product liability insurance coverage as part of the insurance requirements. Ms. Bisson indicated that she would see to it that said insurance was secured by the successful candidates. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM D – Department of Environmental Management – A request was made for approval of and signatures on a Perpetual Easement Agreement by and between the Department and the City of East Providence over 1.33 acres of property located at Wachamoket Cove along Veterans Memorial Parkway in the City of East Providence. Ms. Primiano indicated that said easement will be located at the site of the new wastewater pumping station for the City of East Providence. Ms. Primiano indicated that when the City began the process necessary to construct a new wastewater pumping station, it was discovered that neither the City nor the Department could locate an existing legal agreement pertaining to this site, although the City has been operating its wastewater pumping station for many years. Therefore, the Department asked that the City proceed with a formal request and that a legal agreement be entered into by the parties. Ms. Primiano explained that the new wastewater pumping station will be constructed on the aforementioned property at a slightly different location within the same parcel. Ms. Primiano noted that this request has gone before the appropriate State Boards and has been closely reviewed by the City of East Providence Waterfront Commission as well as being internally reviewed by the Department of Environmental Management. Ms. Primiano stated that said project is supported by the Department. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM E – Department of Environmental Management – A request was

made for approval of and signatures on an Easement Agreement by and between the Department of Environmental Management and the Town of Smithfield to allow the Town to construct a drainage basin on State-owned property known as Stillwater Reservoir. Ms. Sheehan stated that the drainage basin will measure 180 x 45 feet with a depth of 6 feet and will have a grass surface. The Town of Smithfield received a Department of Environmental Management Nonpoint Source Grant for the construction of the drainage basin. Ms. Sheehan noted that the purpose of said drainage basin is to capture and filter stormwater run-off from Mann School Road. A motion to approve was made by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM F – Department of Environmental Management – A request was made for approval of and signatures on an Amended Easement Agreement by and between the City of East Providence and the Department of Environmental Management for access to construct, maintain and operate a fishway on the Hunt's Mill Dam. Ms. Sheehan explained that the Amended Easement is a perpetual easement and will provide the Department's staff access from Pleasant Street, along Hunts Mills Road to an area located adjacent to the dam for the construction and maintenance of the fishway. Ms. Sheehan noted that this is one in a series of fishladders that will be constructed along the Ten Mile River to be completed by the fall of 2011. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM G – Department of Environmental Management – A request for

approval

of and signatures on the First Amendment to Purchase and Sale Contract by and between Harrisville Quarries Associates and the Department of Environmental Management for the purchase of 105 acres of land located along Cherry Farm Road in the Town of Burrillville known as the Harrisville Quarries Property. Ms. Sheehan noted that the subject Purchase and Sale Contract was approved by the State Properties Committee on May 25, 2011. Since that time, the Department has been actively seeking federal funding for the purchase of the subject property, which prompted the need for an updated appraisal of the property. Ms. Sheehan explained that said appraisal established a decrease in the property's value. Ms. Sheehan stated that the amendment to the Purchase and Sale Contract reflects a revised purchase price resulting from negotiations based upon the property's lower appraised value. Chairman Flynn asked whether the property owner is amenable to the reduced purchase price. Ms. Sheehan indicated that both parties agreed to the reduced purchase price and to the amendment to the Purchase and Sale Contract. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM H – Department of Environmental Management – A request was made for approval of and signatures on a Conservation Easement by and between the Department of Environmental Management and the Tiverton Land Trust for the preservation of approximately 63 acres of land located along Main Road in the Town of Tiverton.

Ms. Primiano explained that the subject request is one in a series of local grants that the Department is attempting to bring to a conclusion. Ms. Primiano stated that the subject property is located in Tiverton and will be purchased by the Tiverton Land Trust, which will grant a Conservation Easement to the Department subject to the Committee's approval. Ms. Primiano presented a map illustrating the location of the property, which abuts the Weetamoo Woods and Pardon Gray Farm. Ms. Primiano indicated that the Tiverton Land Trust has done an amazing amount of work in assembling parcels of land in this area. As the subject property is referred to as the Durfee Property, Ms. Primiano noted that the Department has inquired directly with the property owner as to whether there is any known relation between this family and the former Director of the Department of the Department of Environmental Management, Louise Durfee. The Department was informed that there is no known relation between the two Durfee families. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM I – Department of Administration – A request for review and approval of an Amended Action Request Form and the Open Space and Natural Resource Value Report Form. Item I is tabled to a future meeting of the State Properties Committee at the request of the Department of Administration.

There being no further business to come before the State Properties Committee, a

motion to adjourn was made by Mr. Griffith and seconded by Mr. Woolley. The meeting adjourned at 10:31 a.m.

Passed Unanimously

**Holly H. Rhodes, Executive Secretary
State Properties Committee**